

Protection to Indian Companies from the Clutches of Multinationals

† 1569. SHRI JANESHWAR MISHRA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) whether it is a fact that some foreign multinational companies are selling things like cement, milk and milk products at very cheap rates in India;
- (b) if so, the details of such companies;
- (c) what steps Government are taking to save Indian companies and indigenous industry from the clutches of these companies?

THE MINISTER OF COMMERCE AND INDUSTRY (SHRI MURASOLI MARAN): (a) to (c) Import of cement (Exim Code No. 25.23) is free since 1.4.96. Import of Skimmed Milk Powder is free since 1995. The import figures of cement and milk & cream for the last three years are as follows:—

(Value of imports in Rs. Lakhs)

Commodity	1997-98	1998-99	1999-2000 (provisional)
Cement	246.09	314.87	488.58
Milk & Cream	535.68	1230.97	9689.79

(Source: DGCI&S, Calcutta)

As can be seen from the import figures above, there has been a surge in import of milk & cream during the year 1999-2000. This was because of the low international prices of skimmed milk powder. In view of this, the Government has successfully renegotiated the existing 0% bound rate of Custom duty on milk products as classified under Exim Code No. 0402.10 and 0402.21 to 60%, with a provision for allowing 10,000 MT of this product at concessional duty of 15% under Article XXVIII of GATT. This should provide adequate protection to domestic producers of milk

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products by having a sobering impact on imports. The imports of cement do not show any unusual trends.

Government is, however determined to ensure full protection to the domestic industry against unfair trade practices adopted by the foreign companies, if any, under the existing laws as and when any such practices are brought to the notice of the appropriate authorities by the affected companies.

Removal of quantitative restrictions on imports

1570. SHRI KARNENDU BHATTACHARJEE: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that the Indian markets are slowly but steadily likely to be flooded with consumer goods like TVs, washing machines, sewing machines etc. from China and South Eastern countries in view of the projected removal of quantitative restrictions on imports after 1st April, 2001;

(b) if so, whether any firm assessment has been made of the market conditions; and

(c) what steps are proposed to be taken to stall the process of excessive dumping?

THE MINISTER OF COMMERCE AND INDUSTRY (SHRI MURASOLI MARAN): (a) to (c) Government has constituted an Inter-Ministerial Group on 28.7.2000 under the chairmanship of Commerce Secretary to assess the likely impact of impending removal of quantitative restrictions and to suggest suitable corrective measures. The Group is expected to make its recommendations before the end of the year.

Once import restrictions are removed, imports may take place from any country of the world including China and other South-East-Asian Countries. However, all imports in the country are subject to applicable rates of customs duties and also subject to domestic laws, rules, orders regulations, technical specifications and environmental and safety norms as applicable to domestically produced goods. For